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OPERATOR: Good day everyone and welcome to the Parkervision second quarter conference call.

At this time, all sites have been placed into program in a listen only mode. There will be an opportunity for questions later in the program. Instructions for submitting a question or comment will be given at that time.

Before we get started, I want to remind listeners that this conference call will contain forward looking statements which involve known and unknown risks, uncertainties about our business and the economy and other factors that may cause actual results to be materially different from our expected achievement and anticipated results.

Included in these risks are factors such as the ability to maintain technological advantage in the marketplace, ability to sufficiently increase manufacturing capacity to meet demand, achieving timely market, introduction and acceptance of our products, maintaining our patent protection and the availability of capital among others.

Given these uncertainties and other various factors about our business, listeners are cautioned not to take undue reliance on any forward-looking statements contained in this conference call.

Additional information concerning these and other risks can be found in our filings with the SEC. I'd now like to turn the conference over to your moderator today, Mr. Jeffrey Parker, go ahead, please.

JEFFREY PARKER, CHAIRMAN, CEO, PARKERVISION INC.: OK, well thank you.

Good afternoon and thank you all for joining us on Parkervision's second quarter conference call. As you've probably already seen from our second quarter earnings release, we completed the sale of our video business unit to Thompson this quarter, and the video results are now reported as discontinued operations.

This successful completes our transition having a pure focus as a wireless technology and products company. In the first half of this year, we successfully fielded our complete wireless networking system.

And we're now in active discussions and contract negotiations to substantially expand the

distribution for these products, which we believe will result in significant growth in revenue for the second half of this year and into next.

I thought it might be helpful to spend a few minutes on some of the elements that we have put in place to support our revenue growth and what some of the milestones that we expect to occur the balance of this year are and into early next year.

On the wireless networking product front, we have fielded enough equipment now to have a very high level of confidence in our ability to deliver consistent quality and performance.

We have in place an extraordinary staff of customer service people who are available seven days a week to support customers' technical questions. I've received many calls and e-mails from end users who comment on the quality and helpfulness of our staff and the appreciation for a U.S. based support team.

On the customer front, one of the most satisfying achievements this year has been the number of customers that have contacted us to share their own satisfaction with Parkervision networking products. Much of what we hear are from customers who tried other brands and technologies of wi-fi equipment.

In fact, many have tried about every other brand that there is to try. Some of these are home users, some are applications and hotels, airports, apartments, school, office buildings, outdoor hotspots in just about every locale and location you can think of. A few recent examples that come to mind are users such as Champion Racing.

This is a group who raced in the American Le Mans Series as well as the 24 Hours of Le Mans. These folks have been very open and willing to help us spread the word about Parkervision's superior wi-fi performance including being interviewed by press recently and here's an excerpt from a recent interview.

The question was asked of this Champion Racing representative to tell us a little bit about your experience with Parkervision. His answer was well, of the wireless systems we tried, we just couldn't get the coverage or the distance. And with Parkervision, we get just about a mile of coverage, which is pretty nice. And it's also very stable and it's an outstanding system.

A lot of cars also on the racetrack get a lot of interference with digital equipment. All of our cars, for example, they have live, wireless telemetry. And other cars on these races also have wireless telemetry which are all broadcast on 2.4 gigahertz, so that's all in the wi-fi band.

If you imagine you're in a pit lane and there's like 20 other cars and 10 of them are all broadcasting on 2.4 gigahertz frequency and they're all pretty close together. Wireless systems all of a sudden lose their distance. Whereas the Parkervision system, it actually doesn't lose any distance at all.

So we don't have to worry about it. Before we tried D-Link, we tried Netgear, we tried Linksys, we even tried a system from Cisco and all of them pretty much deteriorated towards the beginning of the race, once everyone is running at full wireless telemetry. This person was then asked have you tried the Parkervision products, have you placed those in your races.

And he said, oh yes, I have a wireless LAN at home and I tested the LAN card at home just by using the regular LAN card in my existing wireless router, which he didn't mention which one that was. I've actually doubled my distance that I can now move around in the house and even outside the house now.

Another example of a user of our product is Stuart Zipper who writes for several different technology magazines including an online broadband magazine. Stuart was recently was one of the participants in a maiden flight of a Boeing jet equipped with Boeings new Connexion service, which connects the jet to the satellite system and then onto the Internet. And so it has wi-fi on the plane.

And while I wish I had time now to review Stuarts entire journey with our wi-fi card, a synopsis of what he reported throughout his trip was the consistently superior distance he was able to achieve while visiting airports and hot spots all around the world. Connecting to the wireless network in airport club rooms, even though he was two or more stories away, surfing the web while other passengers laptops, using embedded or add on solutions were unable to even find a network.

One of the other significant achievements that Stuart's trip indicates is what a great job of interoperability with other equipment that our engineering staff has achieved, as our product had to connect with a myriad of other wireless products all around the world and never had a problem with that.

So, with proven products that deliver superior performance, we also put in the place the supply relationships to enable us to take advantage of the manufacturing capacity we have at Parkervision and elsewhere. This is not just the inventory we have on hand, but what is available from our suppliers as we ramp production volumes commensurate with distribution expansion.

So in preparation for rolling out our products in retail store fronts, we have also created what I think would be viewed very shortly as a very strong branding and what is being very well received by the many retail buyers that we are in dialog with. Soon you will see Parkervision's signal max family of products on storefront shelves.

Our competitive advantage is proudly displayed on our boxes where we state guaranteed to outperform any other product in both distance, coverage and elimination of dead zones. Claims that we have not seen any other wi-fi products make much less guarantee. What all this adds up to is the foundation for the strategy of a premium brand.

Parkervision and the Signal Max family of products will not be me too products and that these products will be affordable to a very large target audience. Our laptop and desktop cards will sell in the \$89 to \$99 range. This compares to competing products that provide significantly less distance, coverage and reliability, and commonly sell for only \$10, \$20 or sometimes \$30 less.

I believe that as we achieve broader distribution that the word from our users will rapidly spread because it had already started. That the additional \$10 or \$20 bill is well worth the ability to use the wireless network where and when you want. Our wireless four port router will retail in the \$200 to \$250 range.

One of the major retailers we are in dialog with recently told me that they are now selling a large volume of add on antennae, add on boosters, add on repeaters, thousands a week, all intended to achieve only one goal. And that is to increase the wireless networking coverage the people are experiencing in their homes and small offices.

They also told me that the hassle of setting up these add ons, combined with the fact that they largely do not provide and noticeable improvement is causing a lot of customer service and support issues for both the retailer and the manufacturers of these products. This retailers observation is that the retail price of our product, when viewed from the perspective of the coverage we actually achieve, provides the least expensive solution on the market for a very large number of this retailer's customers who are now adopting or trying to fix wireless networking.

The no boosters, no repeaters, no add on antennae theme, combined with our coverage guarantee will be the foundation of our roll out campaign. I'm sure that you're anxious to know so, when will stores be carrying Parkervision Signal Max. Where and when? Well, I'm not at liberty to share those names with you and believe me, I wish I could, however, I am very comfortable telling you this.

We are in very active dialog with retailers that collectively account for about 500 store fronts in North America. These are a combination of national as well as regional and local retailers. Since I am personally an intimately involved in these discussions right now, I will also share with you that many of these companies have moved beyond the phase of testing our products and we're into the details of contracts and initial stocking orders and marketing programs.

It's my belief that these will result in a steady stream of signing up and stocking retail accounts for Parkervision the balance of this year and even beyond those storefronts, we will continue to expand next year. We are also in dialog with several different distribution companies who provide delivery and logistics services to retailers and others and I believe we will have easily have two, possibly even three or four of these relationships signed up and actively promoting our products the balance of this year.

One of these relationships was introduced to us by a prominent retailer who contacted the senior management of this distributor on our behalf and encouraged them to quickly

develop a relationship with Parkervision so that this distributor could participate in the roll out we are now talking to this retailer about.

This distribution also covers other markets for us. They will cover education, government, business to business selling as well as quite a few value added resellers and IT installers. So anticipating substantial growth, we have also added some exciting talent to Parkervision at the senior level.

In corporate and strategic planning, as well as business development, finance and accounting and in engineering management and product development. Speaking of product development, Parkervision will continue to extend our product portfolio significantly as well as the technology that we offer. As you probably read recently, we completed the acquisition of the cordless phone assets of a privately held company, consumer ware.

This gives Parkervision a very nice jumpstart on bringing to market what will be the world's best performance consumer cordless phone.

For every person I meet who confirms that they are unhappy with the distance and quality limitations of their wi-fi network, I must meet 10 people who are even more unhappy with their cordless phone.

We recognized this opportunity earlier this year and hence our announcement of our cordless phone. Typical cordless phones have mediocre voice quality, generally only achieve 500, sometimes up to 900 feet in open field testing, and this generally translates into lots of static, poor voice quality and dead zones within your home and we believe into tens of millions of unhappy cordless phone users.

Our cordless phone will achieve two miles in open field performance.

It will have excellent security so that your calls will be private.

Voice quality will sound more like a wired phone and we will eliminate those dead zones in your home. Initial production of Parkervision's cordless phone products will occur in the fourth quarter. And these quantities will likely be absorbed quickly for field trials and samples to retail and potential OEM accounts.

We haven't fixed a retail price on the cordless phone yet, however we expect to have models that are in the \$150 to \$200 range of retail and other models that will go up over the \$200 range. Our goal is to begin the process of taking orders for this phone from distribution in the fourth quarter and for volume production to ramp in the first quarter of next year.

We also have cordless speaker technology in products that we'll sample in the first half of next year. What will distinguish Parkervision with this product is the fidelity of the audio that we will deliver to any existing speaker. The wireless link that we have developed and

tested for this product is a five mile link that only uses small, embedded antennae, i.e., we're not using some crazy big parabolic dishes or something. This is a consumer form factor.

We are now working to marry that link to the interface between any traditional stereo or PC and then you will attach the other end of the link, small box, to any standard speaker. The reason we've gone to such great lengths on the quality of this link is to ensure the fidelity of the audio delivered, sound of different speakers or wires and to ensure that you will be able to locate your speakers wherever you want to in your home without having intermittent operation.

We're also making excellent progress on our own application specific high band width based on 8 or 10, 11 (ph) G and we will have initial samples of that product in the field testing this year. I believe we will achieve the absolutely longest distance, greatest coverage and the best data bandwidth over that distance over in the industry for that G product, period.

All these products of course are based on our proprietary D2D RF technology which is we have always said greatly improves the distance, reliability, power consumption and interference rejection as Champion Racing concerns of any wireless application. A brief comment about our market potential.

As you can see, we are rapidly building quite the portfolio of synergistic products. In other words, it is our goal that the Parkervision brand will be used by common consumers day in and day out in many of their normal daily activities and that the distribution channels that we are setting up now will be leveraged as we add these products.

From a share volume of unit potential perspective, let's just take a quick look at these product categories. Wi-fi for laptops, desktops and the infrastructure products that connect those in North America last year was approximately \$25 million units consumed and has been projected to grow into the 50 to 100% unit volume growth year over year for this year.

This market has now evolved into a \$1 to \$2 billion equipment in North America and growing. Cordless phones, there were approximately 50 million cordless phones sold last year and according to the best sources that we've sourced approximately \$30 million of those were sold in North America.

I don't have the statistics for you on the speaker market other than I'll comment because our products will add to anyone's existing or new speakers, we believe the potential of this market will add nicely to Parkervision's market opportunities, could equal or exceed frankly one of the previous two I just mentioned.

My last comments will be on our cash position. Discussions with traditional lenders we have had recently indicate that we will be able to finance a portion of our inventory and receivable billed and that in combination with our current cash position which was

enhanced by the sale of our video business provides us with sufficient cash to support the product launch that I just relayed to you.

So I think you've heard enough of me for now in terms of kind of an overview of where we're at as a company.

And I think what I'd like to do is take some questions now and start some interactive dialog.

OPERATOR: OK, thank you Mr. Parker. We will be taking questions from the phone lines at this time. Anyone wishing to ask a question may do so by pressing the star and one on your pushbutton phone. To remove yourself from the queue you may do so by pressing the pound key.

In the interest of time and to reach as many questioners as possible, we kindly ask that you limit yourself to one question and one follow up per registry. After we cycle through all first generation questions, participants will be allowed to re queue for additional questions. Once again if you'd like to ask a question, please press star one at this time.

And we'll pause a moment before we take our first question.

We'll take our first question today from the site of Dennis Falconer, private investor, go ahead please.

DENNIS FALCONER, PRIVATE INVESTOR: Hello, Jeffrey Parker?

JEFFREY PARKER: Hi.

DENNIS FALCONER: Dennis Falconer here. You recall my wife and I earlier this year had toured your facility in Jacksonville.

JEFFREY PARKER: Yes, I recall that. How are you?

DENNIS FALCONER: Very good, thank you. We were in awe, that high speed micro-component board making device you had in there. It was really a quite interesting tour and enjoyed it. I just want to say that our system we've had now for a year the Horizon Card and Access Point still has been reliable as a hammer and it plays it wherever we want in the home and it just works wonderfully, we're very pleased with it.

JEFFREY PARKER: I appreciate that.

DENNIS FALCONER: I guess the first question is this wireless speaker idea is great. I did have another thought right along those lines.

The wireless speaker, how do you handle amperage, you usually have to run heavy wiring to all these (off mic).

JEFFREY PARKER: We'll actually power the speakers. So we will actually have ...

DENNIS FALCONER: A little amp in each of the heads?

JEFFREY PARKER: Yes, absolutely.

DENNIS FALCONER: Well, I tell you, right along that line, we just a lightning strike, we replaced all of our AV units and stuff for our home theater. And Yamaha has a new audio visual receiver that takes air, cable and satellite, combines them and it takes any input, 480i, 720, up smooths it automatically to 1080i, puts it out through one cable.

So you have a single component of ybptr (ph) cable going to your hi def television. Do you realize what this could mean, if your system could power that for the first time, you'd be able to take one of these new plasma TVs, put it on the wall, run a plug to it and then all the wiring, we've never been able to think about that because you need an access wall from behind to put all the wiring and stuff.

And if a red, blue, green type signal could be generated through this access point, there's another new market for you. It's because of the new technology. These receivers weren't available three months ago.

Everybody thinks you're coming in late, I think you're in early.

JEFFREY PARKER: I appreciate that. I can't speak for audience out there. Our focus right now is to take the experience you've had with our product and to make it available now to folks all over the country at their nearest available retailers so that we can start to get this company's revenue to grow rapidly. And that is one of our key focuses.

But I do appreciate your comment about the other applications for the technology. And I think what this company will demonstrate later this year and into next is that the design engineering effort and the excellent technology behind our .11G products, although we weren't the first to market with G, there is not a week that goes by that I don't hear from somebody at some place in the chain of distribution whether it's at the OEM level, it's at the end user level, it's at the semi conductor level.

People saying, boy, this industry is dying for a good video/wireless distribution system. They don't exist today. And I think Parkervision is going to play a big role on it's own. That will be totally exciting.

JEFFREY PARKER: And convenient, I'll be your first customer because we're in the process of adding new speakers and everything to compliment our new equipment and we're (off mic) where do you run the wires under the oriental rug, how do you do all this and this.

JEFFREY PARKER: You'll hear from us when the cordless phone is ready for data and

I'll sure you're hear from us in the wireless speaker also, so thank you very much.

DENNIS FALCONER: OK, thank you.

OPERATOR: Your next question from Jim Whitten (ph), San (ph) Brothers, go ahead please.

JIM WHITTEN, ANALYST, SAN BROTHERS: Hi Jeff.

JEFFREY PARKER: Hi Jim.

JIM WHITTEN: Nice to hear you on the conference call.

JEFFREY PARKER: Nice to be back on the conference call.

JIM WHITTEN: Just three things, I won't have to be redundant on some of them. First of all I noticed people keep saying why don't we do more technical write ups on our technology, one. Two, possibilities of OEMs and three, voice over Internet.

JEFFREY PARKER: OK, techs and I'm sorry Jim, voice over IP, what was the middle one?

JIM WHITTEN: More write ups and OEM.

JEFFREY PARKER: Oh, OEM, let me go through this as quick as I can. So tech write ups, we sent equipment out late last year, early this year, frankly we didn't send a lot of it out. We wanted to start to dip our toe in the water with some of the tech writers. We didn't get reviews from everybody we sent out to. But the ones they did choose to review were very good.

The Chicago tribune write up that we got was extraordinarily positive. The lap top magazine article, the ultimate mobility sister magazine, the lap top magazine where we got our ultimate choice award for the best wi-fi add on category, the broadband, online, there's a few others.

We have prepared now for kind of the next wave of PR to really kind of take hold once we get our retail distribution channel set up because .... hello? We don't want to be the tree in the woods that falls and there's nobody there to hear us. So in my dialog and in our dialog with retailers, they're strongly urging us that PR is even better than advertising. So I think you'll see a significant pick up in PR as the year goes on and we start to get the retail distribution channel signed up.

OEM, very briefly, I can just tell you that we have not been actively pursuing OEM, we've been very focused on the retail, the vars (ph), the IT installers, now we're adding distribution into that mix. But I will say of late we've actually had quite a bit of OEM activity that's been coming in our direction unsolicited.

And it's in a wide variety of interest. It's every from people saying would you be interested in us branding your finished products, some of it taking it into different markets, some of it taking it into different geographies around the world. To hey, would you be interested in selling a subset out of your product, modules that may be the RF component, the RF modem, things like that.

And the answer to all of those is we're taking a look at all of those seriously, we're open to all sorts of business opportunities and I think it's actually very encouraging that the OEM opportunities for us is starting to get stimulated by people testing our product and getting excited about it and frankly I started dialog within our own organization recently to create a small or maybe big team of people who will focus on some of those OEM opportunities.

Voice over IP is the last comment. I think that's going to be a natural for us both in the next generation of our wireless LAN infrastructure products. Those are going to be included features that we're designing in as well as extensions of our cordless phone. And thank you very much. Next question.

OPERATOR: We'll take a question from John Stanley, Stanley Partners, go ahead please, your line is open.

JOHN STANLEY, ANALYST, STANLEY PARTNERS: Good afternoon Jeff. What sort of gross margins would you expect in the retail arena net of marketing dollars versus that in bar (ph) channel?

JEFFREY PARKER: John, I think it's going to be a range, depending on the retailer we're talking to and the kind of programs that we want to sign up for or participate in. And we're in dialog with quite a few retailers now and these programs range all across the board from very aggressive marketing campaigns via retailers who really believe that this arrival of a premium brand at this time and the basic feature of coverage reliability distance is right on the money and it's timely, as I mentioned earlier.

A lot of these retailers now are selling quite a few units of these boosters, repeaters and some of these add on antennae many of them, by the way, which are crazy. But anyway, so I think the margins net of marketing could be anywhere in some of these higher volume retailers, maybe in the lower 30 percentile range, I think in some of the smaller more nichy retailers could be in the 40s or even 50% range, it really is going to range.

And a lot of it, John, I want to just say, will, I think transition over time from we may participate in some pretty aggressive marketing kick offs to really get the sales, one of the things that the retailers have said to us that they're excited about is they clearly believe that this is a recommenders product.

Meaning that it's important that we train the sales organization in the store and that when the sales organization recommends this product, it's probably likely that it's going to be

sold. It's one of those types of products. So we'll probably spend up front a little bit of money to get the sales force trained and that type of thing.

On the bar market, IT installers, those are traditionally and I think we'll also enjoy that, margins that are north of 50%, or some of the products could be as high in the mid 60s, even the low 70s. Depending on the product and the kind of volumes that we're trying to capture, but those are kind of the ranges that we're seeing right now.

JOHN STANLEY: And what percentage of your total revenue will come from these channels?

JEFFREY PARKER: That's a great question, I don't know exactly what the mix is going to be. I don't know if it's going to be a 70% retail, 30% bar, 75/25, I don't think it's going to be anything close to 50/50 because I think we will be successful at getting into quite a few retail store fronts. And I do think that that, by the way, will also give us some buying power which is going to be very helpful later this year and next year to even better pricing than we're getting right now on some of our components and such.

So, I don't know. Right now my best estimate would be maybe two-thirds retail and a third bar/IT professional. Maybe it would be more, even up to 75/25. Something like that, I guess, in terms of revenue.

JOHN STANLEY: OK.

JEFFREY PARKER: I think the margin balance could be a lot closer too.

If you look at some of the traditional companies in the industry, Cisco is an example, they only account for a single digit percentage of the overall, not including their Linksys division, of the overall wi-fi products sold in terms of unit dollars. But in terms of margin dollars they're in the double digits, significant double digits.

That's an example of what I would hope we would enjoy as well.

JOHN STANLEY: And then checking into the cordless phone market, what did you say that was? I think you gave ...

JEFFREY PARKER: Our best information and we've had a couple sources and I'm still trying to verify this information, but it looks like it's around a 30 million a year unit market in the North American marketplace.

JOHN STANLEY: Dollar wise, what does that come to?

JEFFREY PARKER: I think it's somewhere in a billion, billion and a quarter, something like that.

JOHN STANLEY: OK.

JEFFREY PARKER: But my only caveat there is I haven't completely confirmed which point in the food chain that dollar number is.

JOHN STANLEY: How long before you have a cordless phone in beta?

JEFFREY PARKER: It will be sometime in the fourth quarter. We have people who are feverishly pushing to get it earlier in the fourth quarter than later. I would love to see us do that because I do think we could start to get some orders for that before the year is out.

We've started to talk with several of the telcos, I'd like to leave the specific names out of the conversation but several of the telcos had already been buying that particular phone. One of them had actually branded it with their own name on it.

JOHN STANLEY: OK JEFFREY PARKER: When they found out that they had bought that, they contacted us and said so why did you guys buy that? We told them why and they said, you could do that? And we said, "Yes, in terms of the two-mile range and the voice quality and all the things that we're going to make that phone do." And they were like, "Wow, we've really liked the features -- that if you can combine that with your wireless capability and get it in at the price points that you've been talking about, you know, we would really like to be one of your first customers for that." So, I think, we may have the opportunity to get some orders this year for that of significant volume for our ramp up next year.

UNIDENTIFIED SPEAKER: OK. Thank you.

JEFFREY PARKER: Thank you.

OPERATOR: We'll take our next question from Will Lewis, BayStar Capital. Go ahead please.

WILLIAM LEWIS, ANALYST, BAYSTAR CAPITAL: Yes, I want to first of all congratulate you on your second quarter transformation, your company has obviously had an interesting inflection point. I have three questions for you, the first is are you prepared, at this time, to give any kind of guidance on revenues for the second half of '04 based on the various product rollouts you anticipate?

Are the store fronts and the distributors you are speaking to now set to handle the distribution of the other products you've explored like telephones and speakers, and then finally what about sales outside of North America, is there a strategy that's in place there?

JEFFREY PARKER: OK. Good questions, thanks. How are you by the way?

WILLIAM LEWIS: Hanging on.

JEFFREY PARKER: Good. OK. Second half revenues. I'm not in a position yet to give a

forecast. I will tell you that if the company is able to sign up the store fronts that we have targeted, and I really do have a very high level of confidence, it looks like we're going to be able to bring in, and I hope we'll bring in all, but it looks right now like we will.

Now that in combination with the growth in the VAR IT space, that's going to give us revenue, then I believe by the end of this year, I believe all the shareholders should be very happy with that revenue growth. I know I, as a shareholder, will be very happy with that.

WILLIAM LEWIS: So, this will more than just sort of deminimus...

JEFFREY PARKER: Yes. The retailers have told us that it's their belief that from our initial stocking order that that sellthrough will begin to happen very quickly. So, I don't think there is going to be a super long lag.

I mean it will take a little time to get their sales force trained, but I believe that what will happen is we'll get those initial orders in, then we will put in additional back up inventory into the distribution channels who serve a lot of those retailers, some of those will be direct accounts but a lot of those will be through distribution.

And I think that flow through that chain is going to start to occur very rapidly, and the fourth quarter frankly is a very good quarter for Wi-Fi products.

WILLIAM LEWIS: So, you'll be ready for the holidays?

JEFFREY PARKER: Yes.

WILLIAM LEWIS: OK.

JEFFREY PARKER: On your question about storefronts and distributors, yes the distributors that we're speaking to will be excellent channels for the speaker and the cordless phone products.

There are some additional channels for the cordless phone products we're already in dialogue with, however, who kind of specialize in that channel that I think we'll also sign up, but the retailers, not all of them but almost all of them, would be very interested and would love to sell the cordless phone.

I mean a few of them have less cordless phone presence than others but by and large, I was in one of the retailer stores just last week where we observing their shelves where we would likely end up in the store and when I walked the supplies over and saw the number of cordless phones that they sell I was almost struck out of my head.

There was -- hundreds of different models.

So, yes they'd be excellent distribution channels for us and in terms of the sales outside of

the country, North America, let's call that one market and we do by the way now have, I'm not sure but hope so that we're approved for sales in Canada and we are selling the products in Canada now.

But in terms of, over in the other markets, we've really been focused on making sure we execute without stubbing our toe on the North American market. Let's get going in this market and start enjoying the revenue and margin growth that we should be able to enjoy with these great products we have now.

We have gotten quite a bit of inquiry from the Asian markets, who are interested in taking this product over there. And that some of the OEM opportunity that I suggested earlier has started to knock on our doorstep but fairly other way around.

And we are going to pursue that and it's a little early to say exactly what that will lead to but that everything from we just want to re-brand your product but by the way we will say that if D2D based, that's what you want to promote, hey, we are happy to promote that all the way to compute very part of your technology into some other products that we want to sell.

Europe, we truly haven't spend much time looking at and we've had some inquires from there but nothing that we would want to actively pursue although they are interesting enough for some distribution channels we are working with now who are interested in talking to us about taking us to Europe where they also have subsidiaries in those spaces but we haven't -- we honestly have not actively pursued those yet, but I wouldn't be surprised with that if something will get more serious about early next year as we make sure we don't stub our toe, you know, right now in North America.

WILLIAM LEWIS: Great. Thanks. We will be watching with interest.

JEFFREY PARKER: Great. Thank you.

OPERATOR: You have next question from George Shelley (ph), George Shelley Incorporated (ph). Go ahead, please.

GEORGE SHELLEY, ANALYST, GEORGE SHELLEY INC.: Hi Jeff.

JEFFREY PARKER: Hi George.

GEORGE SHELLEY: Good afternoon.

JEFFREY PARKER: Good afternoon.

GEORGE SHELLEY: What kind of production capacity are we looking at for '05?

JEFFREY PARKER: Yes. It's a great question. It's a combination -- you know in our own facility we are literally now geared up to produce and finish off tens of thousands of units

a month. That was something we had kind of given place to make sure that, you know, one of worst things you can do to a retail distribution channel is to let him run-out of products for any significant period of time. It takes too long to get the channel setup and get people trained and to run outage.

You know I won't say you can't recover from it but it's just -- it's not a very efficient way to make money. We will complement that with the fact that we already have one Asian manufacturing relationship, who is already starting to make some products for us.

And although I do like to tell people that our product is a Minorca, at least, the wireless radio transceiver portion of it. I am also not going to let that be something that is detailed necessarily could wag the dog. You know I would love to see us all we have some amount of, maybe, a large amount of production of our products in United States.

But I do believe this company is going to have the opportunity to sell an enormous number of products over the next 12 to 18 months.

So we started to talk with and set up -- I know everyone have one additional one setup now but I do believe before the end of the year we will have more of those setup. So, right now, within our own facility, George, we are starting now with the ability to produce and finish tens of thousands of units a month, complemented by Taiwanese manufacturer who can do even more than we can do and we will be adding to that for the cordless phone and other products.

UNIDENTIFIED SPEAKER: Any other question.

OPERATOR: We still got a question from the site of Mike Brown, Wells Fargo. Go ahead, please. Mr. Brown your line is open. Go ahead, please MIKE BROWN, ANALYST, WELLS FARGO: Hi Jeff.

JEFFREY PARKER: Hi Mike.

MIKE BROWN: Great conference call. Real interested in your elaboration on the organization as you could expand it to address all these challenges?

JEFFREY PARKER: OK. Great. Well, we have been spending stern amount of effort to increase and strengthen the senior talents in the organization. We've recently added a vice president of corporate strategic planning and business development. This is somebody, who actually joined our company from Thompson, who has a lot of experience in retail markets and some of the related distribution, and a lot of the contracts that have to be entered into with those types of organizations and business dealings with those as well as contract manufacturing, and a lot of other related areas that are important to us.

We've recently added a vice president of engineering. This is an individual who joined us, who has about almost 20 years of engineering and engineering management experience and expertise in both wireless products, telephony products, wireless local use

products, cordless phone products, who came from a company called Motorola, and we're happy to have that individual joining the team.

And this individual looked at our technology and what it does in the foundation of our products, and, you know, I loved his initial presentation to our design engineering -- one of our design engineering teams, as he explained to them his view of the amazing and incredible and large opportunity ahead of us and what we can do with this fundamental wireless platform that has been developed out of our technology and the growth that he absolutely believes that we can enjoy with that.

So that was a very nice recruit success, and we're very pleased to have him on board. We've added more staff to our finance and accounting organization. Cindy Poehlman, our CFO, has staffed to make sure that, as we grow, our revenues look the kind of growth we believe it's going to happen that everything is properly accounted for, and that we can work with other vendors and outside companies we're likely to be working with, and keep up with all the finance and accounting requirements in a company like this.

We are still recruiting for some additional sales and marketing talent, specifically in retail as well as in some of the professional side of the market, and we're actively interviewing in that area now, but that's not slowing us down.

We have people already in-house, and, including myself, we're spending a lot of time and I think are being very effecting at moving those conversations along, as well as we've engaged several different selling organizations who specialize in the different markets we're going after, and they are actually having a feel they are getting buyers and distributors and retailers looking at our products and working through the contracts that we're in negotiations on right now.

So that's kind of an overview. We're about 100% company, right now -- just a little bit under that, and I believe, over the course of the next 6 to 12 months, you know, that number will grow, as we grow our revenue.

MIKE BROWN: Great. Thank you.

JEFFREY PARKER: We'll take one last question, then.

OPERATOR: We'll take a question from Richard Keefe (ph), Private Investor. Go ahead please.

RICHARD KEEFE, PRIVATE INVESTOR: I think you are good -- the good news about the difference between 1500 -- your router 1500 and your router 3000 is, I think, you know, we started out with the 1500 and now we got the 3000, and it's just that there is a major difference between in the two routers. And the other good news is that we're rather up for the year, and it's in the market in Chicago where there is a 6, 7, 8, 9, 10% frequency, and all of it was because of our free Wi-Fi and our 30-Plus (ph).

JEFFREY PARKER: That's great. I appreciate your sharing that with us.

You know, I know I was one of the very early Wi-Fi users at my local Starbucks in Jacksonville, and I can remember looking around and I was the alone user of wireless laptops at actually several Starbucks in Jacksonville -- I don't know, maybe, that was year or year and a half ago. And I go in there pretty much any time of the night or day that they're open, and there are always other people using that.

So, you know, there is no question that Wi-Fi is here to stay and growing, and I'm thrilled to hear that our product was able to help you with your property in Chicago. Yes, thank you for mentioning our 3000.

Our 3000 unit is enhanced even beyond the initial wireless router that we introduced, it has even more coverage, and it has quite a few nice enterprise features. And, you know, Dick, I will steal a line from our CTO, David Sorrells, who proudly tells people, that the products that we are selling today will be the worst performing products that we will ever product, and we will improve them from there -- which is a nice place to start, when you're delivering product that are better performing products than anybody else that we're aware in the world.

And I am already beta testing the next-generation wireless router beyond the 3000. And if you liked the difference between the 1500 and the 3000, you also would like the difference between the 3000 and the one that will come after that, which will probably be out later this year. So thanks for mentioning that.

Well, folks, I'm not going to keep you any longer. It's 5 O'clock. I appreciate your joining us on this call.

We will do these on a regular quarterly basis, and as I move around the country, working with a lot of the new distribution channels that we will be signing up here and I'm in your area, I hope, perhaps, I'm going to have the opportunity to meet with some of you face-to-face and going to have the opportunity to chat with you in person about ParkerVision and where we're at and where we're going.

So anyway, have a nice week, and look forward to our next conference call. Thank you. Bye bye.

OPERATOR: This concludes today's teleconference. We do appreciate your participation. You may disconnect at this time. Thanks and have a great day.

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